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**From:** Eric Kuo [ejk@Vitol.com]  
**Sent:** 8/17/2017 6:48:39 PM  
**To:** Max Bulk [msb@Vitol.com]  
**Subject:** RE: GCAC/VIC/ VALT

Nope

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**From:** Max Bulk  
**Sent:** Thursday, August 17, 2017 01:48 PM  
**To:** Eric Kuo  
**Subject:** RE: GCAC/VIC/ VALT

Good times.

He ever respond to your last note?

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**From:** Eric Kuo  
**Sent:** Thursday, August 17, 2017 11:29 AM  
**To:** Max Bulk  
**Subject:** FW: GCAC/VIC/ VALT

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**From:** Eric Kuo  
**Sent:** Thursday, August 10, 2017 11:29 AM  
**To:** Nick Fay  
**Cc:** Andy Parsons; Chris Bake; Steve Barth  
**Subject:** FW: GCAC/VIC/ VALT

Nick,

I am a bit taken aback at your comments below and disagree with your characterization of my actions. From the beginning there was never any intention to harm Vitol or VALT but more of a compliment to the fuels business. I'm open to discuss any and all concerns you have. In the end Vitol is following VALT's lead on this deal and is happy to provide US-based support if VALT wants to go forward with GCAC.

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**From:** Nick Fay  
**Sent:** Thursday, August 10, 2017 05:49 AM  
**To:** Eric Kuo  
**Cc:** Andy Parsons; Chris Bake  
**Subject:** GCAC/VIC/ VALT

Eric,

As you know there have been some meetings in Montreal at AI between the teams on tues and weds this week. I am waiting for a full update when Dan gets in tomorrow. However from brief telcon I know the following:

- The forward econs remain unclear, Rio/GCAC have made no money for last 2.5 years, we need to do some more work on that -- I asked you and Steve Barth for comment on these on Monday 7th. Pls can you respond

- GCAC advise they were specifically instructed by VIC to not discuss this deal with VALT in the deal build up prior July 13th -- pls explain why
- The whole market is talking about your deal and how it was done behind the back of VALT. It was an uncomfortable AI for the VALT team and esp for Dan.
- GCAC are trying to sell bbls onto the USEC in direct competition with VALT
- At a personal level, you have failed to be straight with me at every stage of this process. On top as the Vitol guy in the VALT JV I have been having to apologise repeatedly as the details of how you have deliberately bypassed my team have come to light.
- From the above you can appreciate there is a huge amount of trust internally and externally that needs to be restored to make this a workable deal

We will come back with a final view shortly but as you can see I am pessimistic anything profitable or workable can come from this.

As a Vitol shareholder I sincerely hope there will not be damages for VIC on exit as you have repeatedly assured us that no deal was signed.

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**From:** Eric Kuo  
**Sent:** 09 August 2017 22:40  
**To:** Nick Fay  
**Subject:** RE: GCAC Telcon. Can we do early houston AM?

Nick, have there been any new developments? I'm fielding multiple calls from Rio and GCAC daily with both companies almost getting into panic mode. Not sure if they want to dissolve this all together or not but feels like sometime extreme is going to happen soon. Meaning they will just walk away and do this with another party and VIC will be forced to pay some of the damages.

**From:** Nick Fay  
**Sent:** Tuesday, August 01, 2017 01:15 PM  
**To:** Eric Kuo  
**Subject:** RE: GCAC Telcon. Can we do early houston AM?

Ok not sure how to advise you here as whilst we want to make something work it's all down to the people now and that's hard to call.

On 1 August 2017 at 18:34:05 BST, Eric Kuo <ejk@Vitol.com> wrote:

They want us to pay storage invoices, some other misc costs and I'm trying to push them off until we get some clarity on direction.

I think you can def get flow and/or term supply at attractive pricing. That was always the objective.

Nothing from Aj/Patrick, they keep asking me where things stand.

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**From:** Nick Fay  
**Sent:** Tuesday, August 01, 2017 12:23 PM  
**To:** Eric Kuo  
**Subject:** RE: GCAC Telcon. Can we do ealry houston AM?

Dan has reached out to AJ and outlined that we see the 3 options below. AJ was very keen to work with VALT to avoid no 3 !

We have sent him a list of the info we require and waiting for the output. If we can come out of this with flow at attractive price and limited downside then can see a good outcome. Devil will be in the detail of course with AJ. Dan is in Qatar now and will be in Montreal on Monday and will see AJ and Patrick with Roberto.

What are the loose ends? What are you hearing from AJ/Patrick?

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**From:** Eric Kuo  
**Sent:** 01 August 2017 18:09  
**To:** Nick Fay  
**Subject:** RE: GCAC Telcon. Can we do ealry houston AM?

Nick, any idea which way you guys are leaning on this? Bunch of loose ends on our side and looking for some direction from you to decide how we proceed with current items. Thanks

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**From:** Nick Fay  
**Sent:** Monday, July 31, 2017 06:36 AM  
**To:** Eric Kuo; Steve Barth  
**Cc:** Chris Bake; Guillaume Quiviger; Daniel Sargeant; Roberto Finocchi; Andy Parsons  
**Subject:** GCAC Telcon. Can we do ealry houston AM?

Morning Eric and Steve,

Would you both be available for a call early this morning with Chris Bake and our team. As soon after 2pm UK as you can manage would be good as Chris has to leave mid afternoon.

We are considering the following 3 options, with few comments /issues listed below that occur to me.

1. How much adaptation of the agreement that you have made do VALT need to make in order to step in and work the JV with VIC fuel and GCAC.
  1. Would GCAC accept material changes to the agreement
  2. Newco team would have to change, George Grace or any other asphalt trader cannot be part of it
  3. What role does AJ intend to play in this JV?
  4. How does VALT finance the \$10-15m working capital
  5. Do we have Eric's support to run the fuel side with Roberto looking at Asphalt?
2. If we leave JV to run more or less as proposed can VALT have a preferred or sole offtaker role at a price that's attractive
  1. What volume and how rateable would that be
  2. What would price be, formula, last look, other?
  3. How do we ensure this supply arrangement is collaborative when financial interests of VALT and JV are not aligned
  4. How do we manage the presence of the VIC/GCAC JV and VALT in USGC asphalt market wrt other players.
  5. Where does the asphalt P+L of JV go?
3. Exit and close the JV completely.
  1. Is this still an option?
  2. What trades have been concluded so far.
  3. Has any Asphalt been sold yet at rack of FCA by VIC?

Nick Fay

as instructed by VALT SAGL

 VALT

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